



# भारत का राजपत्र

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Separate paging is given to this Part in order that it may be filed  
as a separate compilation

### RAJYA SABHA

The following Bill was introduced in the Rajya Sabha on the 15th July, 1992:—

BILL No. XLIV OF 1992

A Bill further to amend the Coal Mines (Nationalisation) Act, 1973.

Be it enacted by Parliament in the Forty-third Year of the Republic of India as follows:—

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|---|---|
| 1. This Act may be called the Coal Mines (Nationalisation) Amendment Act, 1992.   | Short title.  |
| 2. In the Coal Mines (Nationalisation) Act, 1973, in section 3, in sub-section (3), in clause (a), for item (iii), the following shall be substituted, namely:—<br>“(iii) a company engaged in—<br>(1) the production of iron and steel,<br>(2) generation of power,<br>(3) washing of coal obtained from a mine, or<br>(4) such other end use as the Central Government may, by notified, specify.”. | Amend-<br>ment of<br>section<br>3 of Act<br>26 of 1973. |

**STATEMENT OF OBJECTS AND REASONS**

Considering the need to augment power generation and to create additional capacity during the eighth plan, the Government have taken decision to allow private sector participation in the power sector. Consequently, it has become necessary to provide for coal linkages to power generating units coming up in the private sector. Coal India Limited and Neyveli Lignite Corporation Limited, the major producers of coal and lignite in the public sector, are experiencing resource constraints. A number of projects cannot be taken up in a short span of time. As an alternative, it is proposed to offer new coal and lignite mines to the proposed power stations in the private sector for the purpose of captive end use. The same arrangement is also considered necessary for other industries who would be handed over coal mines for captive end use. Washerries have to be encouraged in the private sector also to augment the availability of washed coal for supply to steel plants, power houses, etc.

2. Under the Coal Mines (Nationalisation) Act, 1973, coal mining is exclusively reserved for the public sector, except in case of companies engaged in the production of iron and steel, and mining in isolated small pockets not amenable to economical development and not requiring rail transport. In order to allow private sector participation in coal mining for captive end use for purpose of power generation as well as for other captive end uses to be notified from time to time and to allow the private sector to set up coal washeries, it is considered necessary to amend the Coal Mines (Nationalisation) Act, 1973.

3. The Coal Mines (Nationalisation) Amendment Bill, 1992 seeks to achieve the aforesaid objectives.

S. B. NYAMAGOUDA.

### FINANCIAL MEMORANDUM

Consequent to the proposed amendment to the Coal Mines (Nationalisation) Act, 1973, coal mining activities can be taken up by the private sector power generating units for the purpose of captive end use. Other industries as notified from time to time by the Government in the Official Gazette will also be enabled to take up mining activity for the purpose of captive end use. Coal Mines in virgin areas will be leased out to the private sector units and the procedure of lease, etc., will be governed by the existing provisions of Mines and Minerals (Regulation and Development) Act, 1957 and the Mineral Concession Rules made under the said Act. The private operators will also observe the necessary conservation and safety standards. The Coal Mines (Conservation and Development) Act and the Rules made thereunder provide for exercise of control by the Coal Controller over the coal mines to ensure the necessary standards. Since Coal Controller will be required to exercise his supervision and inspection, etc., on the private sector mines also, it will be necessary to eventually strengthen the Coal Controller's Organisation. The exact financial implications can be worked out only after an assessment is made on the responses from the private sector are received. For the present, no increase in expenditure is anticipated.

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SUDARSHAN AGARWAL,  
*Secretary-General.*

